ECONOMIC INTELLIGENCE COMMITTEE

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MEMORANDUM FOR: Secretary. Intelligence Advisory Commit

SUBJECT:

EIC Responsibilities under Post Mortem of NIE 11-5-55,

IAC-D-57/9 of 23 August 1955,

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REFERENCE:

EIC Progress Report on Action Taken Pursuant to Post Mortem on Soviet Air Defense Estimate, IAC-D-57/9.1,

23 December 1955

- 1. The subject paper directed the EIC to review community research efforts related to "probable costs of Soviet radar and other electronics".
- 2. On 23 December 1955 the EIC reported to the IAC that an expanded economic research program for FY 1956 had already been initiated by the IAC Agencies engaged in research on Soviet Bloc electronics, and that this current program is as comprehensive as can be supported by presently svailable information. The EIC also indicated that it would follow the current program closely and report further towards the close of the fiscal year -- indicating the extent to which the programmed research had been successful in closing priority intelligence gaps.
- 3. Because of the security surrounding this industry in the Bloc, collection of information on costs has not been greatly improved. Some intelligence reports concerning this deficiency have been completed during the past six months. The military intelligence agencies have completed projects which provide basic data related to the costs of radar and other electronics, for example, the Signal Corps Intelligence Agency study "Electronic Production Capability of the Soviet Bloc," S-65-55. The CIA has issued a report on "Trends in Electrotechnical Industry of the Sino-Soviet Bloc", CIA/RR 71, and has provided contributions to NIE 11-4-56 on costs of military electronics. Other research is in progress including an ONI study on Soviet electronic equipment. More data, however, will be required before this priority intelligence gap can be successfully closed.

OTTO E. GUTHE Chairman

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